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SENATE BILL 5329

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State of Washington

55th Legislature

1997 Regular Session

By Senators Hargrove, Morton, Rossi, Stevens, Snyder and Loveland

Read first time 01/23/97. Referred to Committee on Natural Resources & Parks.

1 AN ACT Relating to the forest development account; and amending RCW  
2 76.12.110 and 43.84.092.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 76.12.110 and 1988 c 128 s 31 are each amended to read  
5 as follows:

6 There is created a forest development account in the state  
7 treasury. The state treasurer shall keep an account of all sums  
8 deposited therein and expended or withdrawn therefrom. Any sums placed  
9 in the account shall be pledged for the purpose of paying interest and  
10 principal on the bonds issued by the department, and for the purchase  
11 of land for growing timber. Any bonds issued shall constitute a first  
12 and prior claim and lien against the account for the payment of  
13 principal and interest. No sums for the above purposes shall be  
14 withdrawn or paid out of the account except upon approval of the  
15 department. The board of natural resources must determine the amount  
16 of funds necessary to achieve the purposes of this chapter and provide  
17 by rule for the deduction of this amount by fee from the gross proceeds  
18 of all leases, sales, contracts, licenses, permits, easements, and  
19 rights of way issued by the department and affecting public lands. The

1 deductions authorized under this section must not exceed twenty percent  
2 of the total sum received by the department in connection with any one  
3 transaction pertaining to state forest lands. The board of natural  
4 resources must establish the percentage of the deduction fee once each  
5 year in order to maintain no more than a six-month operating balance in  
6 the account. The board of natural resources must set the level of the  
7 balance of the account in cooperation with the counties that have  
8 forest board land. Interest earned by the forest development account  
9 must be distributed back into the account.

10 Appropriations may be made by the legislature from the forest  
11 development account to the department for the purpose of carrying on  
12 the activities of the department on state forest lands, lands managed  
13 on a sustained yield basis as provided for in RCW 79.68.040, and for  
14 reimbursement of expenditures that have been made or may be made from  
15 the resource management cost account in the management of state forest  
16 lands.

17 **Sec. 2.** RCW 43.84.092 and 1996 c 262 s 4 are each amended to read  
18 as follows:

19 (1) All earnings of investments of surplus balances in the state  
20 treasury shall be deposited to the treasury income account, which  
21 account is hereby established in the state treasury.

22 (2) The treasury income account shall be utilized to pay or receive  
23 funds associated with federal programs as required by the federal cash  
24 management improvement act of 1990. The treasury income account is  
25 subject in all respects to chapter 43.88 RCW, but no appropriation is  
26 required for refunds or allocations of interest earnings required by  
27 the cash management improvement act. Refunds of interest to the  
28 federal treasury required under the cash management improvement act  
29 fall under RCW 43.88.180 and shall not require appropriation. The  
30 office of financial management shall determine the amounts due to or  
31 from the federal government pursuant to the cash management improvement  
32 act. The office of financial management may direct transfers of funds  
33 between accounts as deemed necessary to implement the provisions of the  
34 cash management improvement act, and this subsection. Refunds or  
35 allocations shall occur prior to the distributions of earnings set  
36 forth in subsection (4) of this section.

37 (3) Except for the provisions of RCW 43.84.160, the treasury income  
38 account may be utilized for the payment of purchased banking services

1 on behalf of treasury funds including, but not limited to, depository,  
2 safekeeping, and disbursement functions for the state treasury and  
3 affected state agencies. The treasury income account is subject in all  
4 respects to chapter 43.88 RCW, but no appropriation is required for  
5 payments to financial institutions. Payments shall occur prior to  
6 distribution of earnings set forth in subsection (4) of this section.

7 (4) Monthly, the state treasurer shall distribute the earnings  
8 credited to the treasury income account. The state treasurer shall  
9 credit the general fund with all the earnings credited to the treasury  
10 income account except:

11 (a) The following accounts and funds shall receive their  
12 proportionate share of earnings based upon each account's and fund's  
13 average daily balance for the period: The capitol building  
14 construction account, the Cedar River channel construction and  
15 operation account, the Central Washington University capital projects  
16 account, the charitable, educational, penal and reformatory  
17 institutions account, the common school construction fund, the county  
18 criminal justice assistance account, the county sales and use tax  
19 equalization account, the data processing building construction  
20 account, the deferred compensation administrative account, the deferred  
21 compensation principal account, the department of retirement systems  
22 expense account, the Eastern Washington University capital projects  
23 account, the education construction fund, the emergency reserve fund,  
24 the federal forest revolving account, the forest development account,  
25 the health services account, the public health services account, the  
26 health system capacity account, the personal health services account,  
27 the highway infrastructure account, the industrial insurance premium  
28 refund account, the judges' retirement account, the judicial retirement  
29 administrative account, the judicial retirement principal account, the  
30 local leasehold excise tax account, the local real estate excise tax  
31 account, the local sales and use tax account, the medical aid account,  
32 the mobile home park relocation fund, the municipal criminal justice  
33 assistance account, the municipal sales and use tax equalization  
34 account, the natural resources deposit account, the perpetual  
35 surveillance and maintenance account, the public employees' retirement  
36 system plan I account, the public employees' retirement system plan II  
37 account, the Puyallup tribal settlement account, the resource  
38 management cost account, the site closure account, the special wildlife  
39 account, the state employees' insurance account, the state employees'

1 insurance reserve account, the state investment board expense account,  
2 the state investment board commingled trust fund accounts, the  
3 supplemental pension account, the teachers' retirement system plan I  
4 account, the teachers' retirement system plan II account, the  
5 transportation infrastructure account, the tuition recovery trust fund,  
6 the University of Washington bond retirement fund, the University of  
7 Washington building account, the volunteer fire fighters' relief and  
8 pension principal account, the volunteer fire fighters' relief and  
9 pension administrative account, the Washington judicial retirement  
10 system account, the Washington law enforcement officers' and fire  
11 fighters' system plan I retirement account, the Washington law  
12 enforcement officers' and fire fighters' system plan II retirement  
13 account, the Washington state patrol retirement account, the Washington  
14 State University building account, the Washington State University bond  
15 retirement fund, the water pollution control revolving fund, and the  
16 Western Washington University capital projects account. Earnings  
17 derived from investing balances of the agricultural permanent fund, the  
18 normal school permanent fund, the permanent common school fund, the  
19 scientific permanent fund, and the state university permanent fund  
20 shall be allocated to their respective beneficiary accounts. All  
21 earnings to be distributed under this subsection (4)(a) shall first be  
22 reduced by the allocation to the state treasurer's service fund  
23 pursuant to RCW 43.08.190.

24 (b) The following accounts and funds shall receive eighty percent  
25 of their proportionate share of earnings based upon each account's or  
26 fund's average daily balance for the period: The aeronautics account,  
27 the aircraft search and rescue account, the central Puget Sound public  
28 transportation account, the city hardship assistance account, the  
29 county arterial preservation account, the department of licensing  
30 services account, the economic development account, the essential rail  
31 assistance account, the essential rail banking account, the ferry bond  
32 retirement fund, the gasohol exemption holding account, the grade  
33 crossing protective fund, the high capacity transportation account, the  
34 highway bond retirement fund, the highway construction stabilization  
35 account, the highway safety account, the marine operating fund, the  
36 motor vehicle fund, the motorcycle safety education account, the  
37 pilotage account, the public transportation systems account, the Puget  
38 Sound capital construction account, the Puget Sound ferry operations  
39 account, the recreational vehicle account, the rural arterial trust

1 account, the safety and education account, the small city account, the  
2 special category C account, the state patrol highway account, the  
3 transfer relief account, the transportation capital facilities account,  
4 the transportation equipment fund, the transportation fund, the  
5 transportation improvement account, the transportation revolving loan  
6 account, and the urban arterial trust account.

7 (5) In conformance with Article II, section 37 of the state  
8 Constitution, no treasury accounts or funds shall be allocated earnings  
9 without the specific affirmative directive of this section.

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